

## EXAMPLES OF POTENTIAL USE OF MULTI-YEAR CONTRACTS

### A. Contracts for Maintenance and Operation

Present restrictions on multi-year contracts result in problems in contracting for requirements for maintenance and operation of isolated Air Force activities. An example is Point Barrow Camp, located 850 air miles from the support base. Logistical support must be provided by air or water, the latter confined to about two months of the year. The contractor is required to provide for annual resupply, maintain a fleet of 100 vehicles and aircraft landing facilities, provide refueling of aircraft and vehicles, warehousing, stevedoring, fire protection, messing, and housing facilities and complete logistical support to various other Government agencies such as the U. S. Naval Arctic Research Laboratory, Bureau of Indian Affairs, U. S. Fish and Wild Life, Weather Bureau. Weather conditions are extremely adverse with freezing temperatures practically the year around. The advantages of a multi-year contract are in the way of price including a reduction in annual start-up costs, reduction in turnover of contractor personnel and recruitment problems and improved quality of performance through experienced personnel.

### B. Guard Service Contracts

Contractual problems exist when facility and personnel security clearances are not obtained in time for new contractors to perform as scheduled. For example, due to the nature of the classified material handled for the 1352nd Photographic Group, Los Angeles, California, contractual arrangements must be accomplished several months in advance in order that clearances are obtained prior to contract effective date. The requirement for conducting background investigations of new contractor personnel on an annual basis is expensive. Multi-year contracts would eliminate these costs and problems and would stimulate competition among guard services contractors who are reluctant to bid.

### C. Base Services in Overseas Areas

Services for aircraft refueling and defueling at the 1605th Air Base Wing, Azores, have been negotiated with the same firm for a number of years. The incumbent is the only one of the six firms approved by the Portuguese Government to perform these services who will bid on a one-year contract. Other firms have indicated an interest in bidding on a multi-year basis and, if allowed, would provide competition with possibly more effective service at less cost to the Government.

Enclosure 2